

3/13/15

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Thanks for the call this morning and for sharing some thoughts on a path forward. As you and I have routinely discussed, I deeply appreciate Chair Rick Hall's strong love and commitment to Ball State and his clear desire for continual quality improvement-which we all share. Per your suggestion, I have collected some thoughts for you.

Issue:

Since mid-October, the Board Chair has increasingly displayed a tone of irritation, frustration, and perceived condescension with the President and members of the Cabinet related to a variety of events and/or issues. Although, from the perspective of the President and Cabinet, they have fully provided context and information in a timely manner to inform rational and thoughtful decision-making, the process has often been more emotional than seems to fit the issue.

The President and Cabinet are uncertain as to the basis for this behavior as all Board activities have been well-organized, transparent, open to full discussion, and strategic in directions. Often the Board Chair suggests to the President that he has talked with the Board, or members of the Board, to support a proposal or recommendation for which the President and/or Cabinet has limited context. Additionally, such recommendations often come from the Chair as directives without adequate background discussion and the conversation begins from a negative view with irritation.

From the perspective of the President, he has attempted to remain focused on the issues, attempting to understand the motives and issues *and always working to resolution* with team input; which often have not been the original directions of the Chair. Although the President and Cabinet felt the resolution of the Investment Issue served as a remarkable model of collaboration and separation of "powers" between the Board Chair and the President, this model has not been utilized well since.

Several examples of these interactions:

- The December Ice Miller Event for President Ferguson coordinated with Trustee Glick with Governor Pence "Introducing the President to Indiana". After invitations were distributed the Chair strongly directed this to be simply canceled as a mere vendor networking event but also indicated concern that his firm was left out or made to look bad. Trustee Glick was not contacted until the President requested that the Chair contact her to share his point of view. The event was held and proved to be a valued experience.
- Chronic Unsatisfactory Performance Policy. Although this has been a long-standing issue prior to the President's arrival, the President and Provost diligently worked this to completion in February 2015 with success and support of the Faculty Senate. The Chair has consistently, both in private and in public, chastised the President and Provost for not resolving this fast enough despite working with two Senate Administrations. When informed of the successful passage, the Chair remained silent to the President's email. This campus collaboration is valued by the majority of faculty and the administration.
- KMS Auditing Firm. Working through the final internal audit steps in contracting an audit/consulting firm as part of the Investment responses, the Chair expressed significant frustration and anger that KMS was not hired in a timely manner, although the firm had been contacted by Cabinet members without full resolution (but which the Chair simply did not believe the Cabinet had complied). The Chair insinuated a lack of respect for his decision-making much to the uncertainty of the President and Cabinet members for this lack of information. As the Cabinet moved to address the Chair's concerns, the Chair directly asked KMS not to work with

the University. Certain members of the Cabinet were “dressed down” for their lack of progress and responsiveness. Another firm, Crowe-Horwath, has been contracted with the assistance of Audit Chair Momper.

- **Construction Common Wage.** Based upon a conversation with Speaker Bosma, the Chair felt strongly and indicated a path of action for Ball State to get out in front to support the repeal of the Construction Common Wage being considered by the General Assembly-suggesting that this was the best indicator of our Student-Centered approach at Ball State (potential cost savings). Although no one on the Cabinet felt this was a viable approach or idea, Vice President Halbig did due diligence with other Universities to affirm that no University was planning to make a public statement as this was not in anyone’s best interest. That message was relayed by the President to the Chair the night following receipt of his initial proposal. Hearing this information, the Chair expressed thanks for the work.

- **Enrollment Management.** The current issues of tension and anger focused on the President and Cabinet is the perception by the Chair of a “Board” commitment to maintaining flat enrollment growth to ensure higher and higher quality, despite major losses in total undergraduate enrollment (and revenue) over the last 5 years. As the Board is fully aware, Ball State is in the midst of a reevaluation of our EM policies and procedures and current best practices in order to develop a comprehensive enrollment model that achieves both growth and quality. However, we still need to manage the profile for the Fall 2015 class that was set in motion by the previous administration. The Chair has requested weekly analysis and updates on enrollment numbers which the Cabinet is now providing. Additionally, the President and Cabinet have scheduled a meeting with the Chair next week to fully orient the Chair to the process of EM and how decisions are made with a full eye to data management.

The Chair has maintained a deep sense of frustration that only the Board sets enrollment goals and directions and has expressed concern that the President and Cabinet are not listening to the Board. In fact, a recent strategy session with Senator Kenley occurred to discuss future budget requests that could combine a growth strategy with additional line item funding for the “Entrepreneurial University” that might also allow us to freeze tuition and enhance affordability for Hoosiers-still with a commitment to quality. The President and Vice President Halbig informed the Chair prior to the meeting with an overview, provided talking points, and the President engaged in a tension-filled phone call that evening from the Chair- despite there being no, or intending to be, a decision or affirmation of the idea by the Senator. The concept of discussing with the Senator a growth strategy was perceived by the Chair as totally inappropriate and the Chair wanted the entire concept removed from further discussion-primarily based on the concept that the Board had not endorsed a growth policy.

- The Chair has on occasion lobbied for the hiring of a favored candidate from his perspective; often in conflict with the Cabinet member. The Chair continues to express frustration with no progress on the position or the “wrong choice”-often when the information at hand would suggest the favored candidate is not a good choice for Ball State.

Final Thoughts

Clearly, there has developed an uneasy and unproductive tension between the Chair, President and Cabinet regarding the manner and scope of the Chair/Board roles and level of interaction for leading the University. Unfortunately, this has occurred at a time when the Ball State constituency spirit and morale is rapidly growing and progress is being rapidly made on infrastructure and best practices management-in all Divisions.

This recent environment is inconsistent with the current close working relationship among the Cabinet as well as the wonderful spirit of promise and commitment the Board and the President shared last May. Additionally, the work of the President and Cabinet with the newly formed Board Committees has worked perfectly in establishing smooth communications and decision-making.

The President and Cabinet remain fully committed to that spirit and course in working with the Board. We remain focused on the emerging strategic directions we have fully developed together. I remain, as President, fully committed to improving our communication, as needed.